The Honorable Tiffany M. Cartwright

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT TACOMA

NIPPON PAPER INDUSTRIES USA CO., LTD., a Washington corporation,

Plaintiff,

v.

GEORGIA-PACIFIC, LLC, a Delaware limited liability company,

Defendant.

NO. 3:22-cv-5743-TMC

STIPULATED MOTION AND ORDER TO STAY

NOTED ON CALENDAR: APRIL 15, 2025

STIPULATION

Plaintiff Nippon Paper Industries USA Co., Ltd. ("NPI USA") and Defendant Georgia-Pacific, LLC ("GP"), stipulate and agree as follows:

1. Both NPI USA and GP have been named by the Washington Department of Ecology ("Ecology") as a potentially liable person ("PLP") under Washington's Model Toxics Control Act ("MTCA") for the release of hazardous substances at the Western Port Angeles Harbor Site ("WPAH Site") and, in particular, contamination of sediments as a result of their operations of a paper mill ("Mill") in Port Angeles, Washington (the "MTCA Claims").

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- 2. In connection with the MTCA Claims, four other entities were also named PLPs. None of the other PLPs are a party to this action.
- 3. Pursuant to an Agreed Order No. DE 9781, as amended, NPI USA, GP, and other PLPs have completed a remedial investigation/feasibility study of the WPAH Site. Ecology posted the draft Cleanup Action Plan ("CAP") for the WPAH Site and a draft Consent Decree for a public comment period that ended on February 18, 2025. NPI USA and GP anticipate that Ecology will approve the CAP within a few months, after Ecology prepares a Responsiveness Summary, and the PLPs will enter into a Consent Decree with Ecology to implement the CAP. After the Consent Decree is entered, the PLPs will prepare and submit a remedial design work plan and begin preremedial design investigations.
- 4. In this matter, NPI USA and GP dispute their contractual obligations to each other regarding the environmental contamination that is related to the operations of the Mill. NPI USA purchased the Mill from GP in 1988 via an Asset Purchase Agreement ("APA"). NPI USA and GP dispute to what extent under the APA NPI USA assumed or GP retained liability for environmental property damage arising from pre-closing operations, their respective contractual indemnification obligations related to the same, and whether the APA transferred any insurance assets to NPI USA.
- 5. NPI USA and GP have been engaged in settlement negotiations in this matter and attended an in-person mediation on February 13, 2025. This matter did not resolve at mediation, and settlement negotiations are ongoing.
- 6. NPI USA and GP have been negotiating in good faith and continue to do so. Upcoming events associated with implementing the CAP and Consent Decree are relevant to the settlement negotiations because they will clarify the size and scope of NPI USA's and GP's

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potential MTCA liabilities at the WPAH Site. For example, the remedial design work plan will define the scope of work at the WPAH Site with greater specificity and enable NPI USA and GP to better estimate future remediation costs.

- 7. Staying this litigation for nine months will enable both parties to focus on the MTCA Claims and, as necessary, incorporate additional information from the MTCA Claims into their settlement negotiations.
- 8. Allowing the parties to continue their settlement negotiations in this manner will potentially lead to this matter being resolved in its entirety without the need for the parties to incur significant additional attorneys' fees and costs.
- 9. Judicial economy is also served by a nine-month stay of the proceedings because the parties will be able to continue negotiations and have an increased likelihood of achieving settlement.
- 10. In light of the foregoing, IT IS HEREBY STIPULATED AND AGREED, by NPI USA and GP that:
 - a. This action is stayed until January 12, 2026.
 - b. The Court will strike the current pending pretrial and trial deadlines.
 - c. Either party may move the Court to terminate the stay upon 14 days' written notice to the other party.
 - d. On or before January 12, 2026, the parties shall file a status report with the Court, including, as appropriate, a proposed case schedule that complies with Judge Cartwright's preferred schedule set forth in her chambers procedures for civil cases.
 - e. The parties respectfully request that the Court enter the subjoined order containing the terms of the stay.

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DATED this 15th day of April, 2025.

GORDON TILDEN THOMAS & CORDELL LLP

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DATED this 15th day of April, 2025.

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ORDER

Based on the foregoing stipulation, IT IS SO ORDERED that this case is STAYED until January 12, 2026. Either party may move the Court to terminate the stay upon 14 days' written notice to the other party. The pending pretrial and trial deadlines are stricken. The parties are DIRECTED to file a status report that includes, as appropriate, a proposed case schedule, with the Court on or before January 12, 2026.

IT IS SO ORDERED THIS 15th day of April, 2025.

The Honorable Tiffany M. Cartwright United States District Court Judge